

# Fiscal Year 2002-03 Financial Report



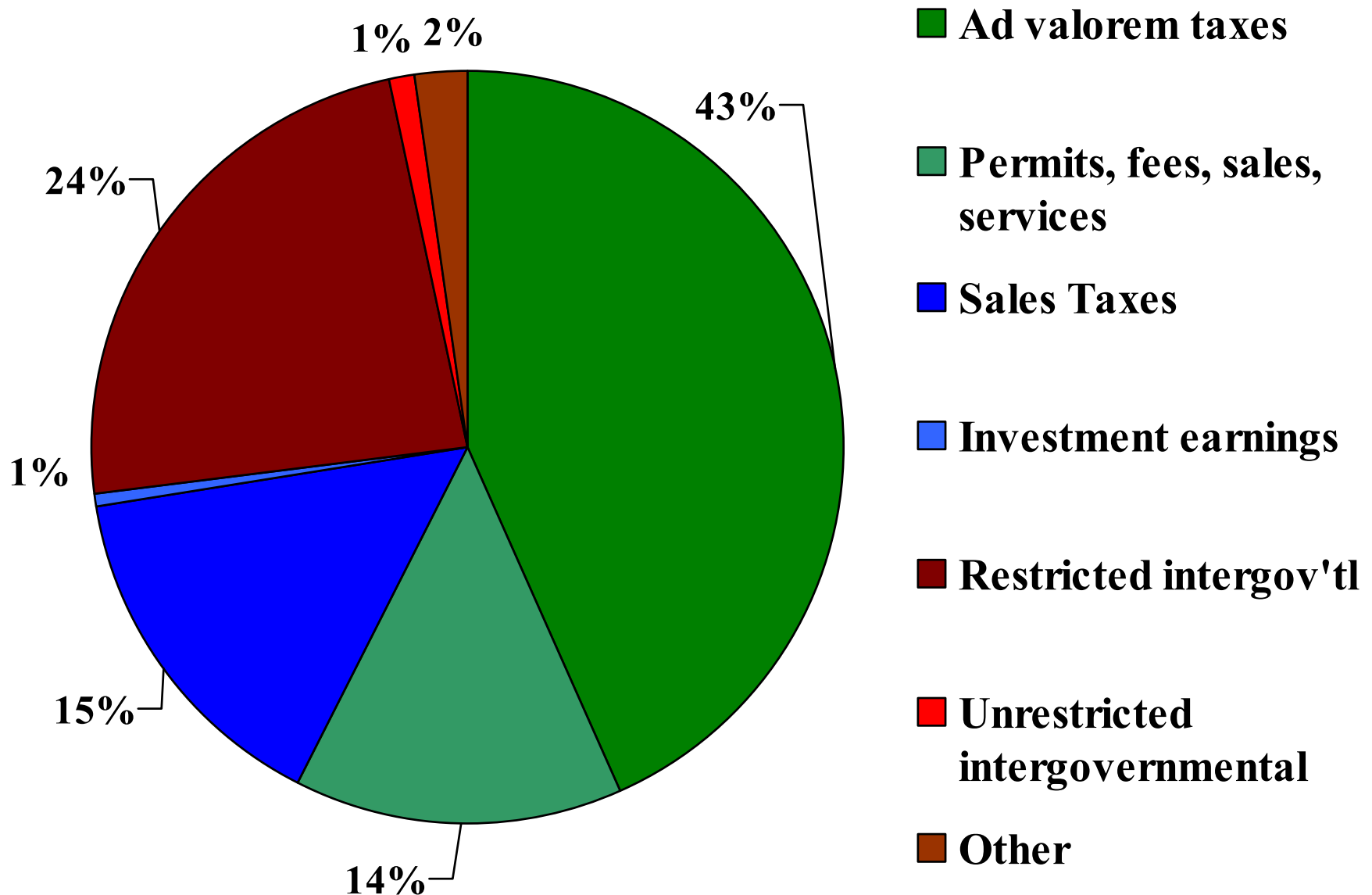
Rodney N. Miller  
Finance Director

## Year-End Analysis

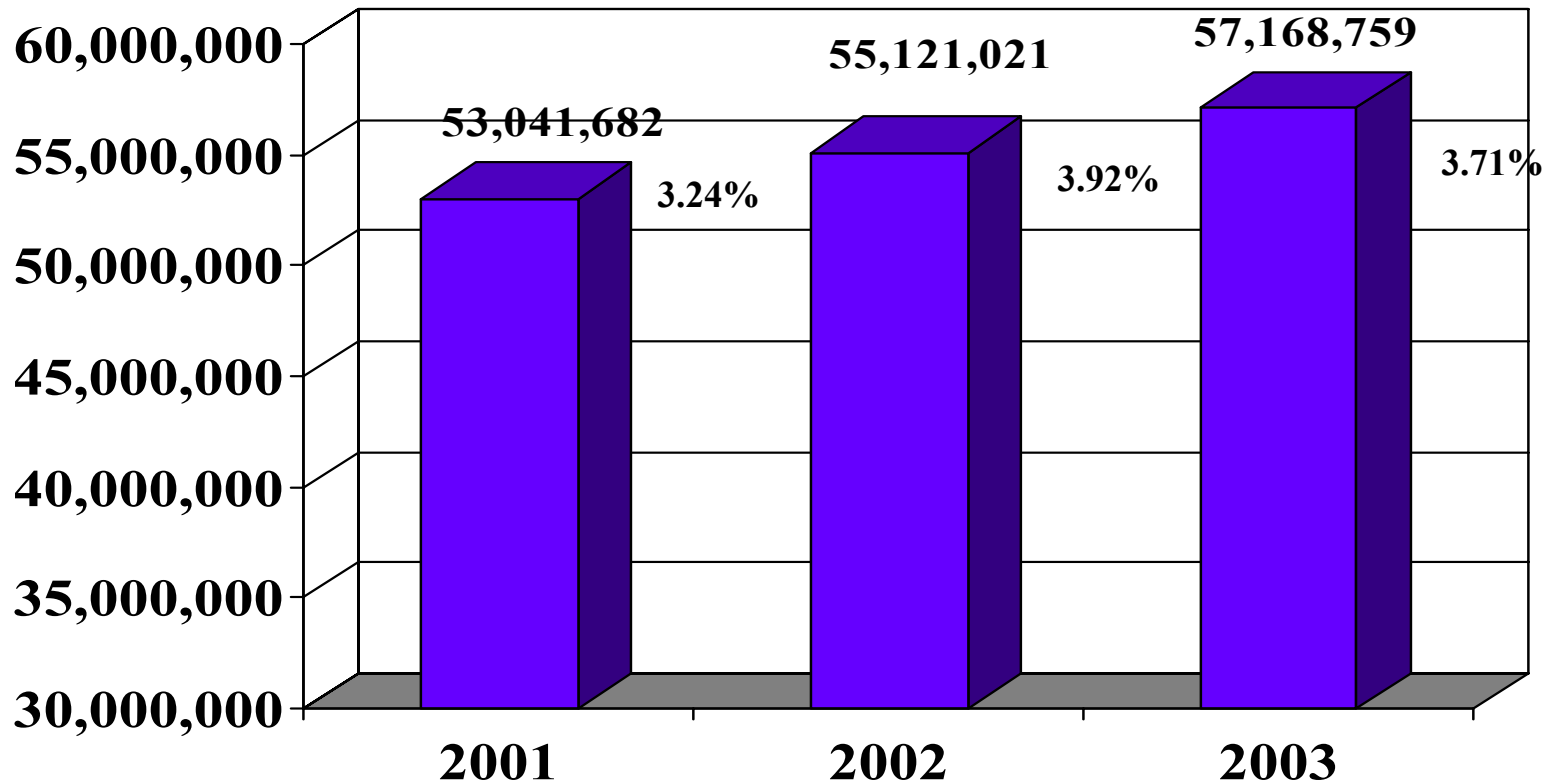
	<u>2002</u>	<u>2003</u>
General Fund Revenues	\$129,750,766	\$132,076,198
General Fund Expenditures	<u>\$128,129,157</u>	<u>\$131,384,670</u>
Increase in fund balance	\$ 1,621,609	\$ 691,528

- Revenues increased by 1.8% from 2002
- Expenditures increased by 2.5% from 2002

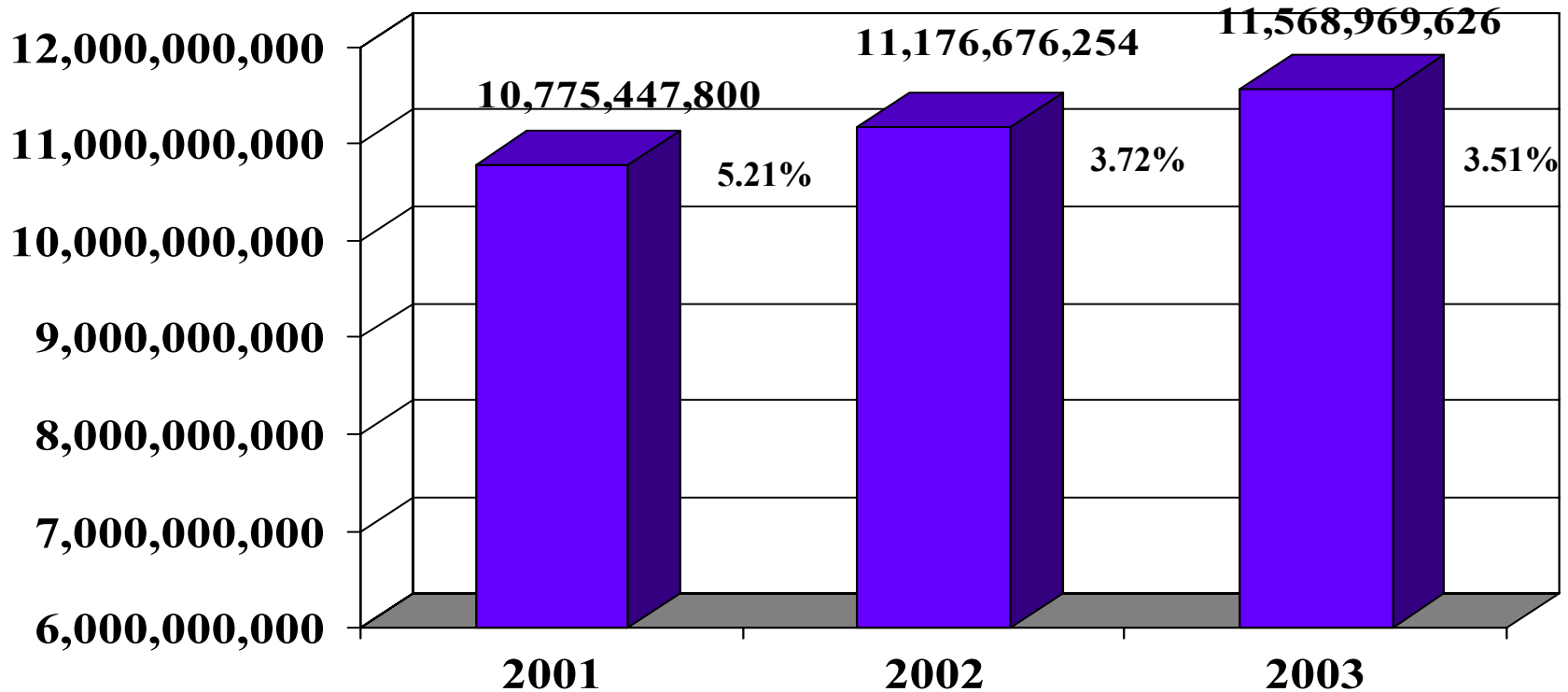
# General Fund Revenues – Actual 2003



# Property Tax Revenues



# Property Tax Base History



Projected increases of 9.6% in FY 2004 and 1.6% in FY 2005

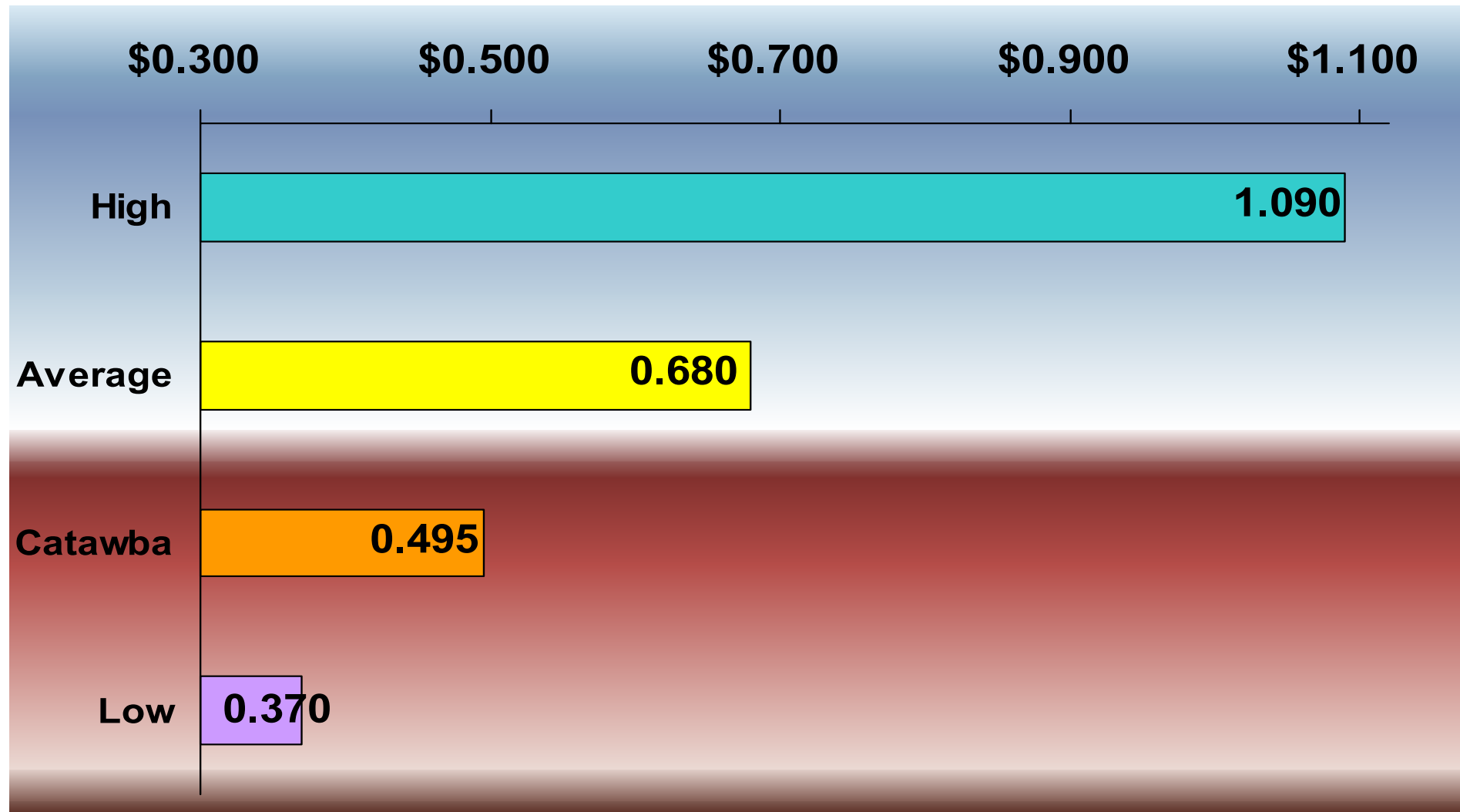
# Top Ten Taxpayers - 2002

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>% of Total</u>	<u>Last Yrs. Ranking</u>
Duke Energy Corp.	\$314,799,173	2.82%	1st
Corning Cable Systems	161,836,034	1.45%	2nd
Alcatel N.A. Inc.	160,749,383	1.44%	4th
CommScope, Inc.	145,072,584	1.30%	3rd
Shuford Mills/Shurtape	60,662,121	.54%	7th
Central Telephone Company	54,495,658	.49%	5th
AMIREIT/Frye Regional Medical	48,678,756	.43%	NR
Hickory Springs	37,566,140	.34%	6th
Valley Hills Mall	36,734,000	.33%	9th
Carolina Mills	<u>36,266,864</u>	<u>.32%</u>	8th
Total	\$1,056,860,713	9.46%	

# Top Ten Taxpayers – 2003

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>% of Total</u>	<u>Last Yrs. Ranking</u>
Duke Energy Corp.	\$344,713,265	2.98%	1st
Corning Cable Systems	219,053,490	1.89%	2nd
Alcatel N.A. Inc.	146,640,930	1.27%	3rd
CommScope, Inc.	141,860,956	1.23%	4th
Central Telephone Company	57,120,189	.49%	6th
Shuford Mills/Shurtape	56,898,131	.49%	5th
AMIREIT/Frye Regional Medical	51,869,901	.45%	7th
Getrag Gears	46,174,148	.40%	NR
Valley Hills Mall	42,148,100	.36%	9th
Hickory Springs	<u>42,047,797</u>	<u>.36%</u>	8th
Total	\$1,148,526,907	9.93%	

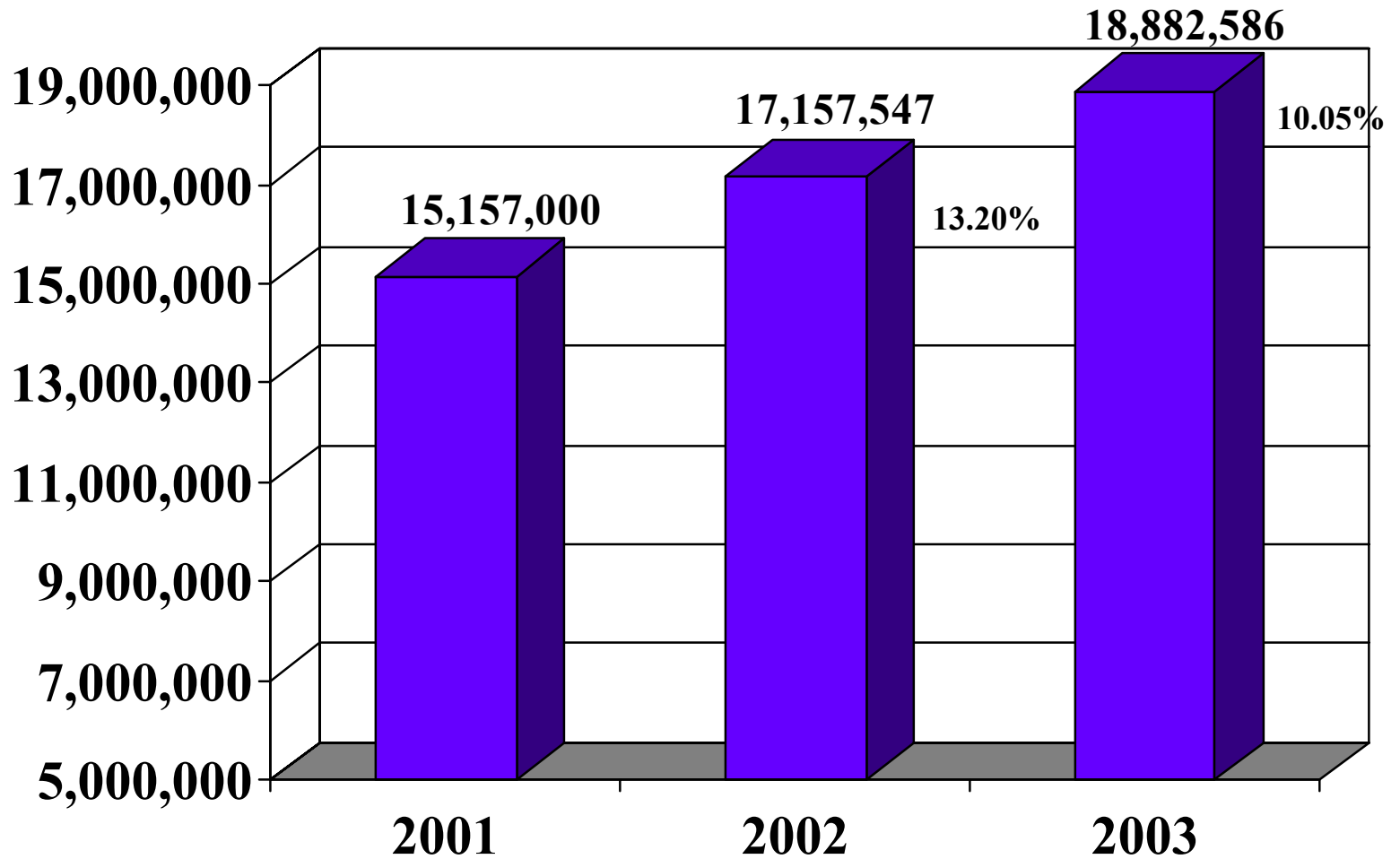
# 2002-03 Tax Rate NC Counties



**4<sup>th</sup> Lowest among 23 Urban (>100,000 population) Counties**  
**11<sup>th</sup> Lowest out of 100 Counties in NC**



# Permits/Fees/Sales/Services

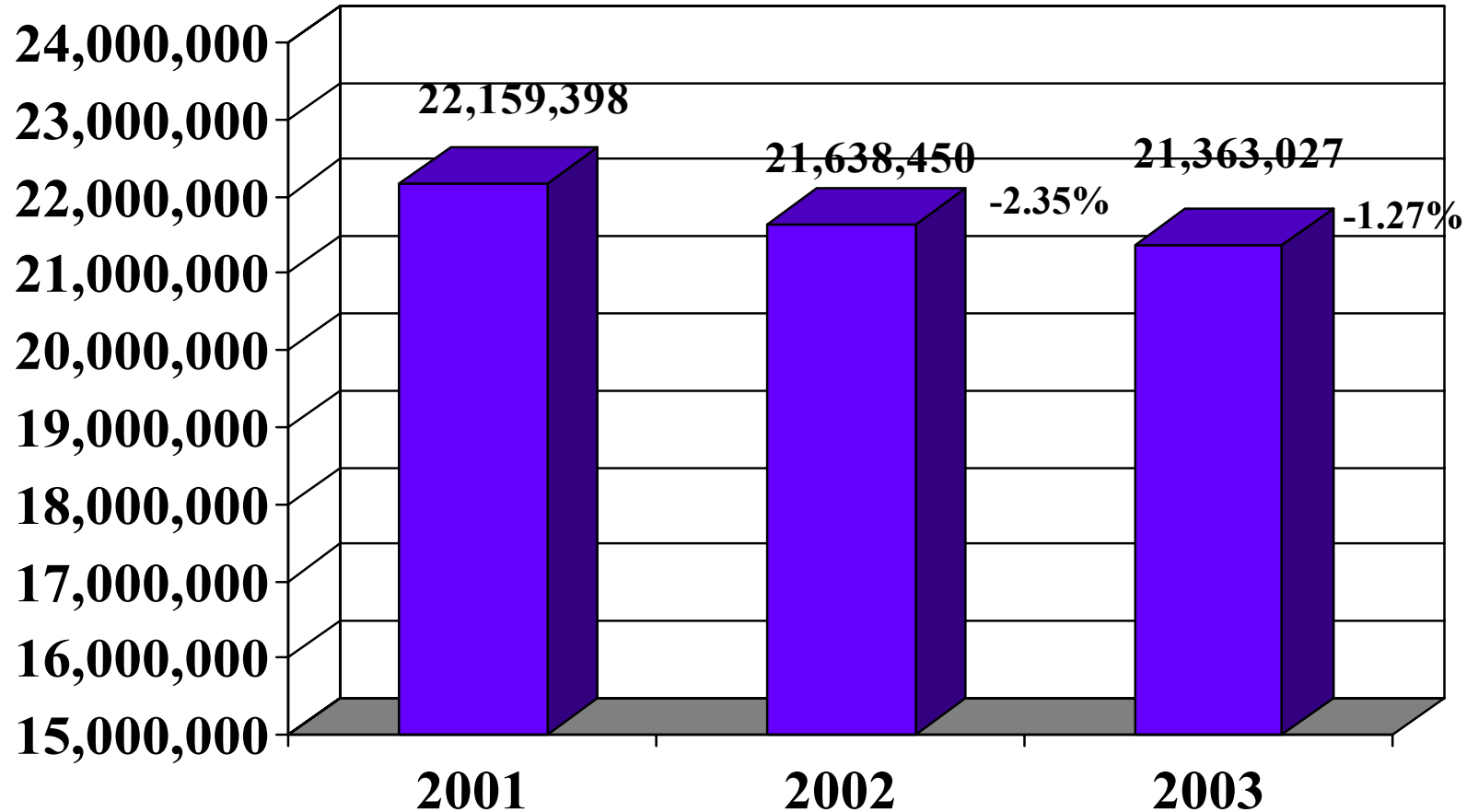


# Permits/Fees/Sales/Services

	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Register of Deeds</b>	569,387	695,191	<b>1,007,492</b>
Building Permits	1,065,767	958,386	866,714
<b>Ambulance Charges</b>	1,397,139	1,682,756	<b>2,306,012</b>
Medicaid Fees	3,762,019	3,514,175	3,958,569
Home Health/3 <sup>rd</sup> Party	2,293,349	2,408,343	2,192,592
Medicaid Contracts	2,785,330	4,329,348	5,050,878
Other	<u>3,284,009</u>	<u>3,569,348</u>	<u>3,500,329</u>
 Totals	 15,157,000	 17,157,547	 <b>18,882,586</b>

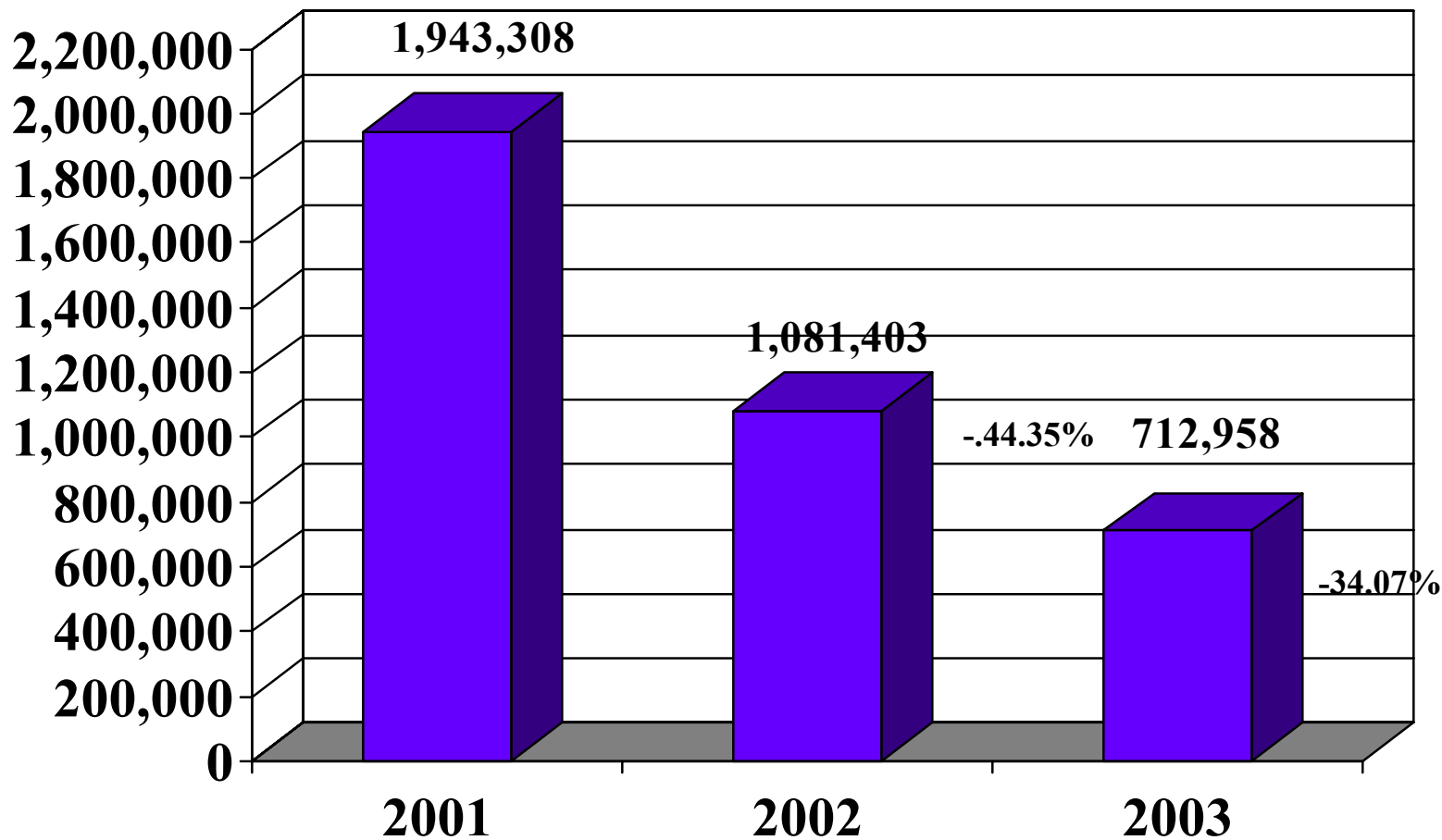
- **Fees for services increased by 10.0% in FY 2003**
- BOC fee policy, self-supporting
- Medicare fee schedule effective April 1, 2002, including mileage
- Register of Deeds fees increased by the State effective Jan.1, 2002

# Sales Taxes



3<sup>rd</sup> ½ cent - effective Dec. 1<sup>st</sup>, 2002-excludes food, addl. \$2.5 million,  
Helped offset a loss of \$4.2 million in inventory/intangibles reimbursements

# Investment Earnings



Average return = **6.12%**

**3.51%**

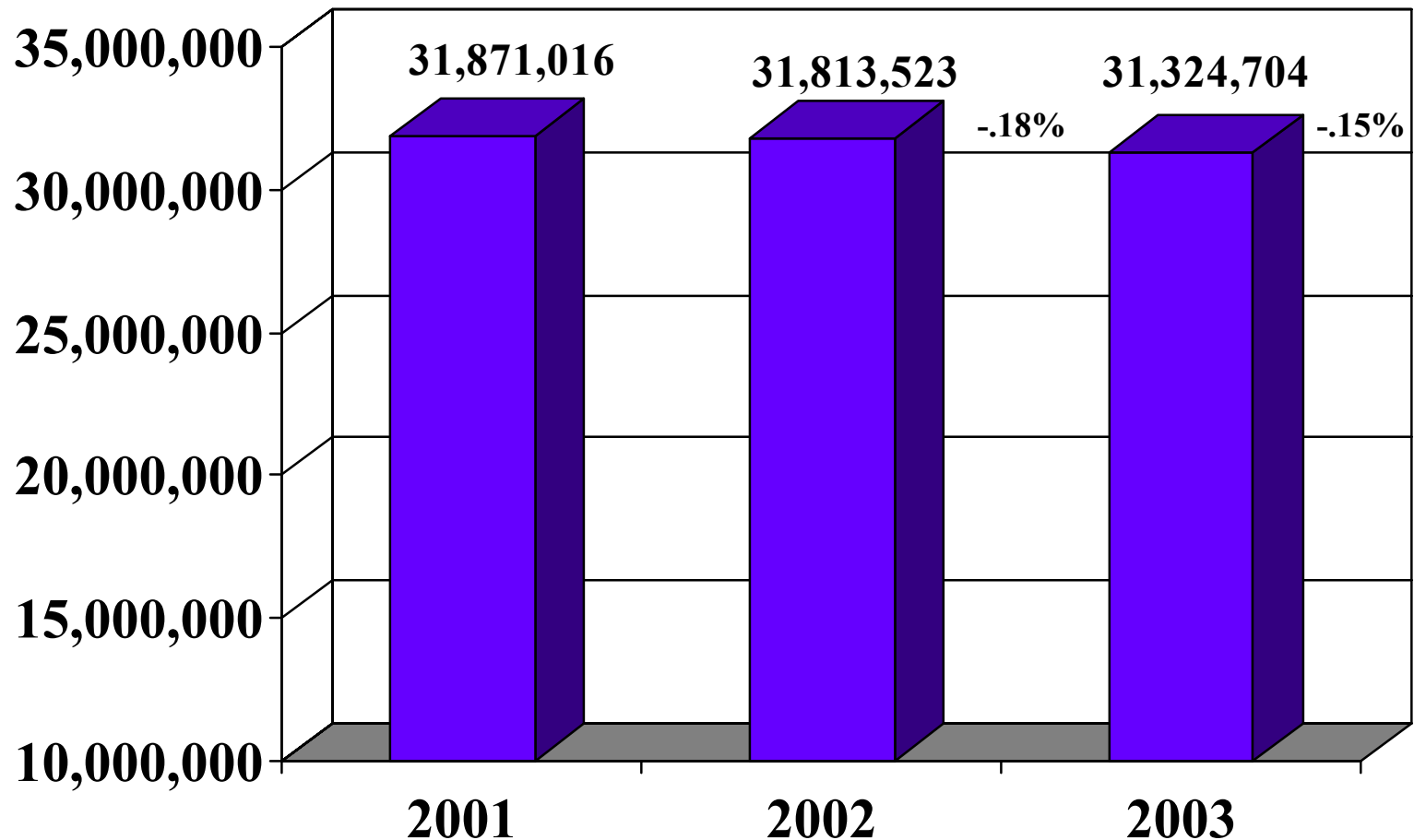
**2.75%**

# General Obligation (G.O.) Bond Refunding

**Interest rates dropped to their lowest levels in 45 years**

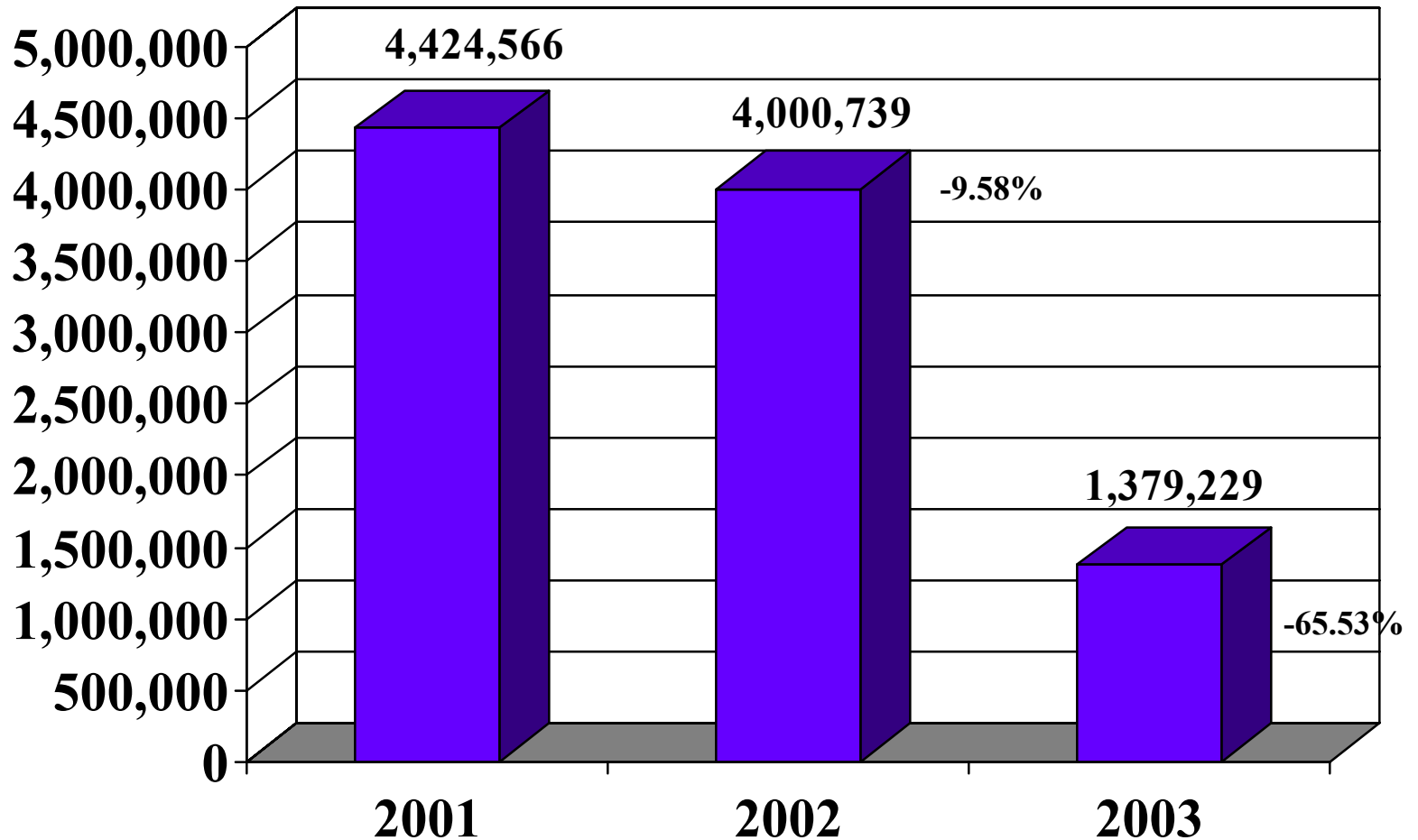
- On December 10, 2002, County refunded \$14,495,000 of 1991, 1993 & 1994 General Obligation Bonds
- NPV savings of **5.33%**, or **\$748,267** over 12 years

# Restricted Intergovernmental Revenues



- Restricted (State & Federal) revenues remained flat

# Unrestricted Intergovernmental Revenues



# Unrestricted Intergovernmental Revenues

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Beer and Wine Taxes	301,814	-	329,229
Intangibles Tax Reimbursement	1,755,515	1,752,040	-
Inventory Tax Reimbursement	2,307,240	1,198,699	-
ABC Board Distribution	-	1,050,000	1,050,000
Totals	<u>4,424,566</u>	<u>4,000,739</u>	<u>1,379,229</u>

## **Revenues decreased by \$2,621,510, or 65.5%**

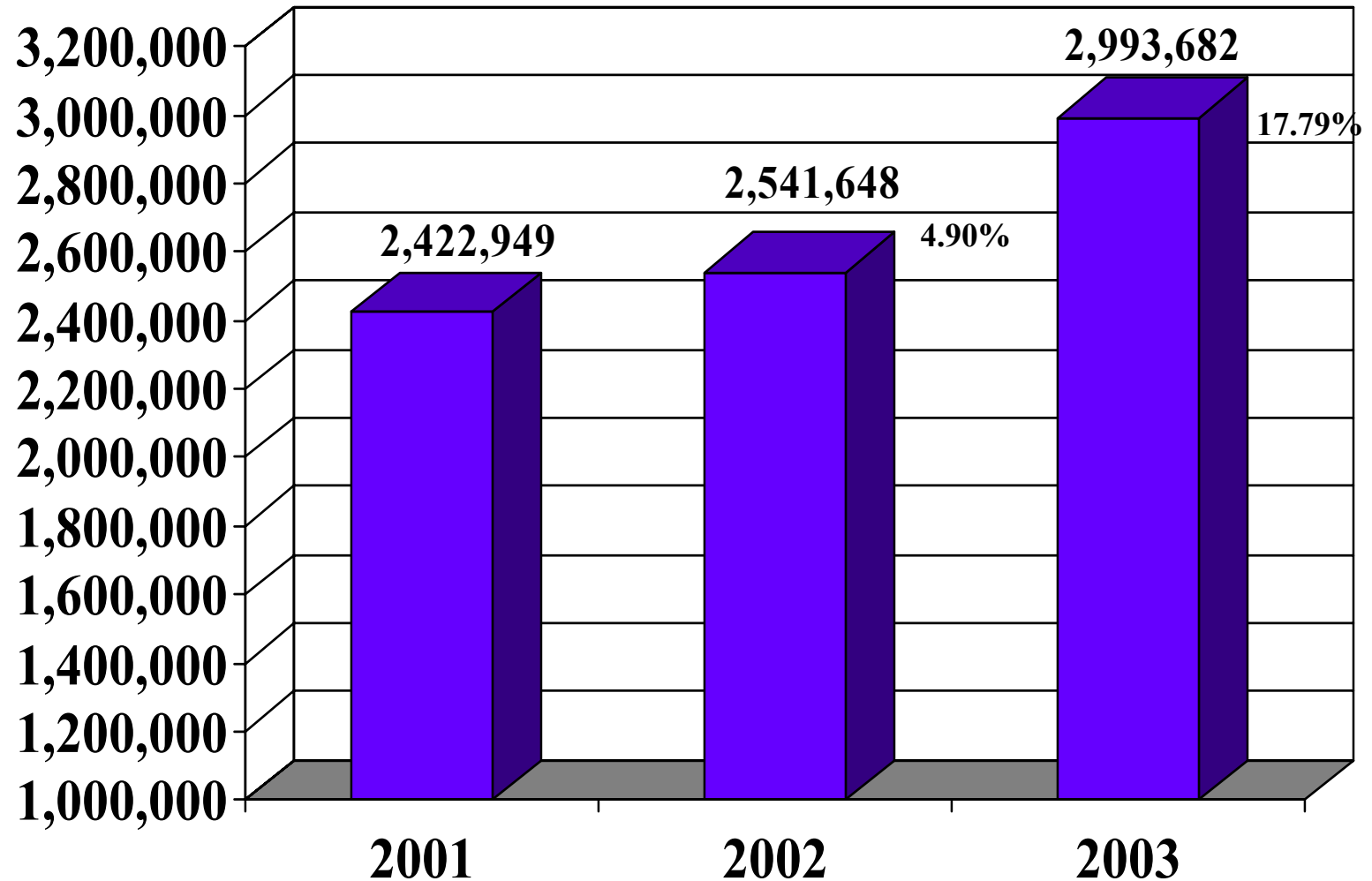
Inventory/Intangibles Tax Reimbursements repealed = (\$4.2m)

Replaced with new ½ cent sales tax in December 2002 = \$2.5m

Beer & Wine Taxes withheld by the Governor in 2002 = \$300,000



# Other Revenues



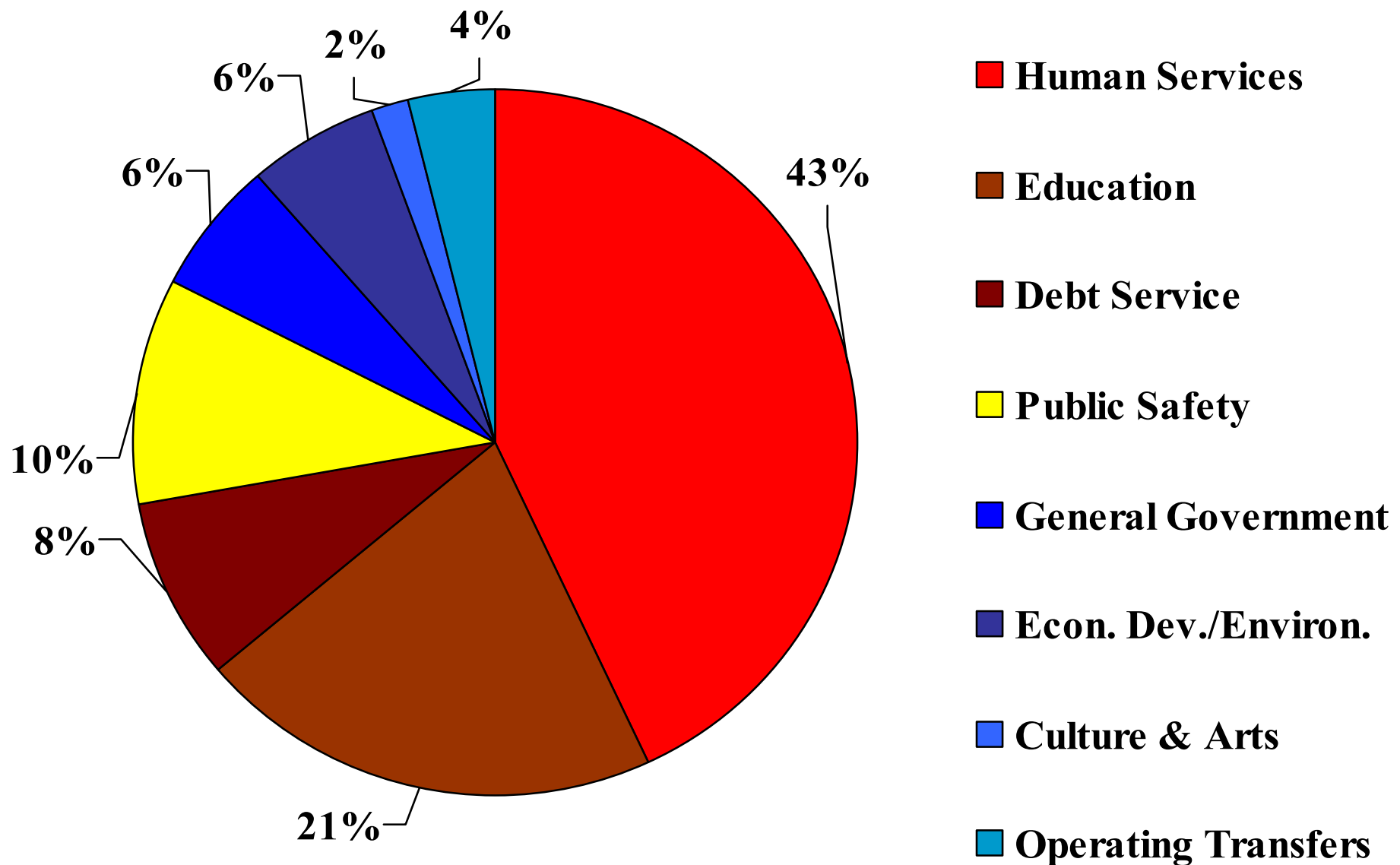
## Other Revenues

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Cable TV Franchise	490,975	556,525	573,326
Employee Health & Dental Premiums	979,768	1,118,382	<b>1,205,631</b>
Other	<u>952,206</u>	<u>866,741</u>	<b><u>1,214,725</u></b>
Totals	2,422,949	2,541,648	2,993,682

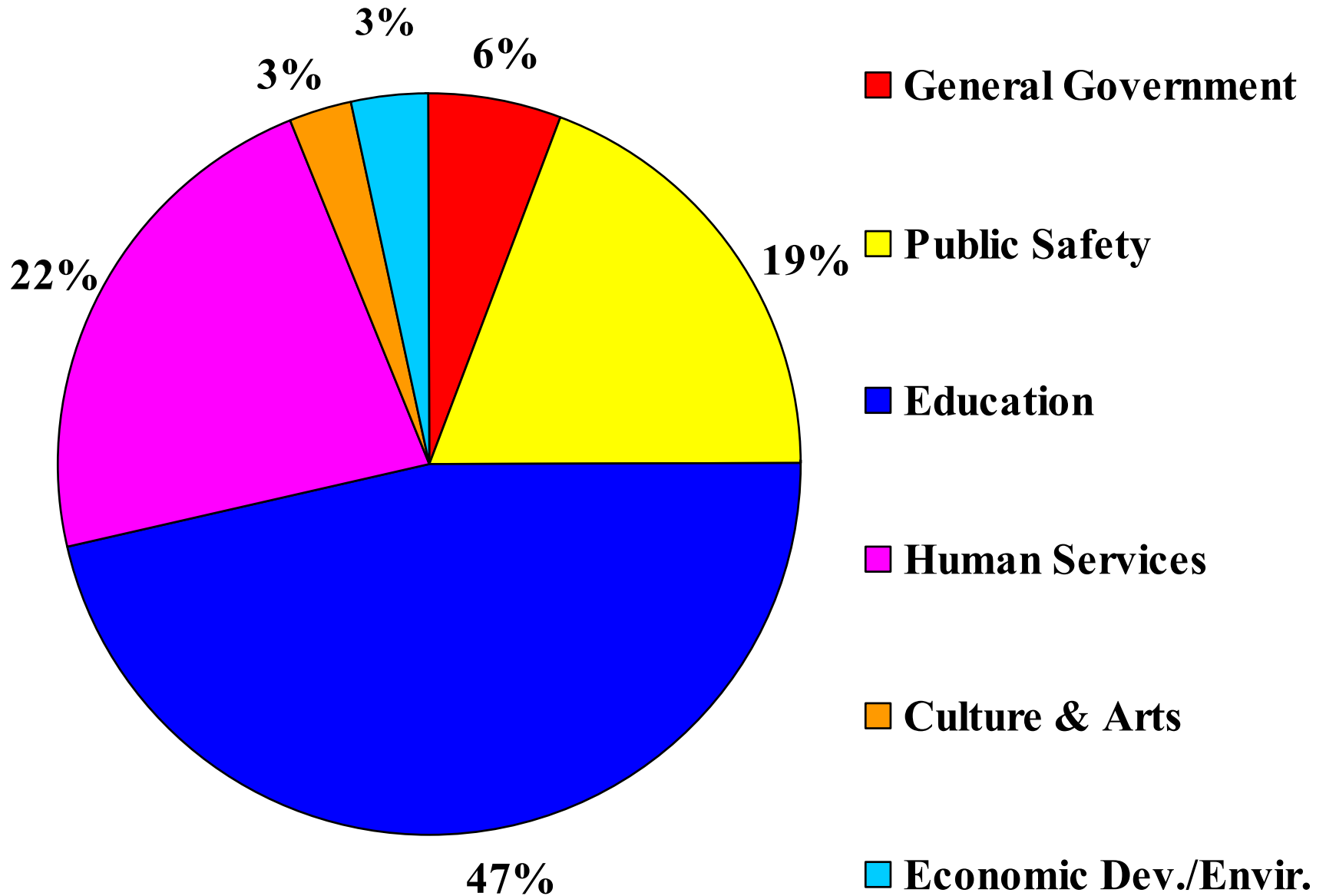
**Employee Health/Dental expenses continue to increase at 7.8%**

Other - Insurance settlements, donations and one-time grants increased

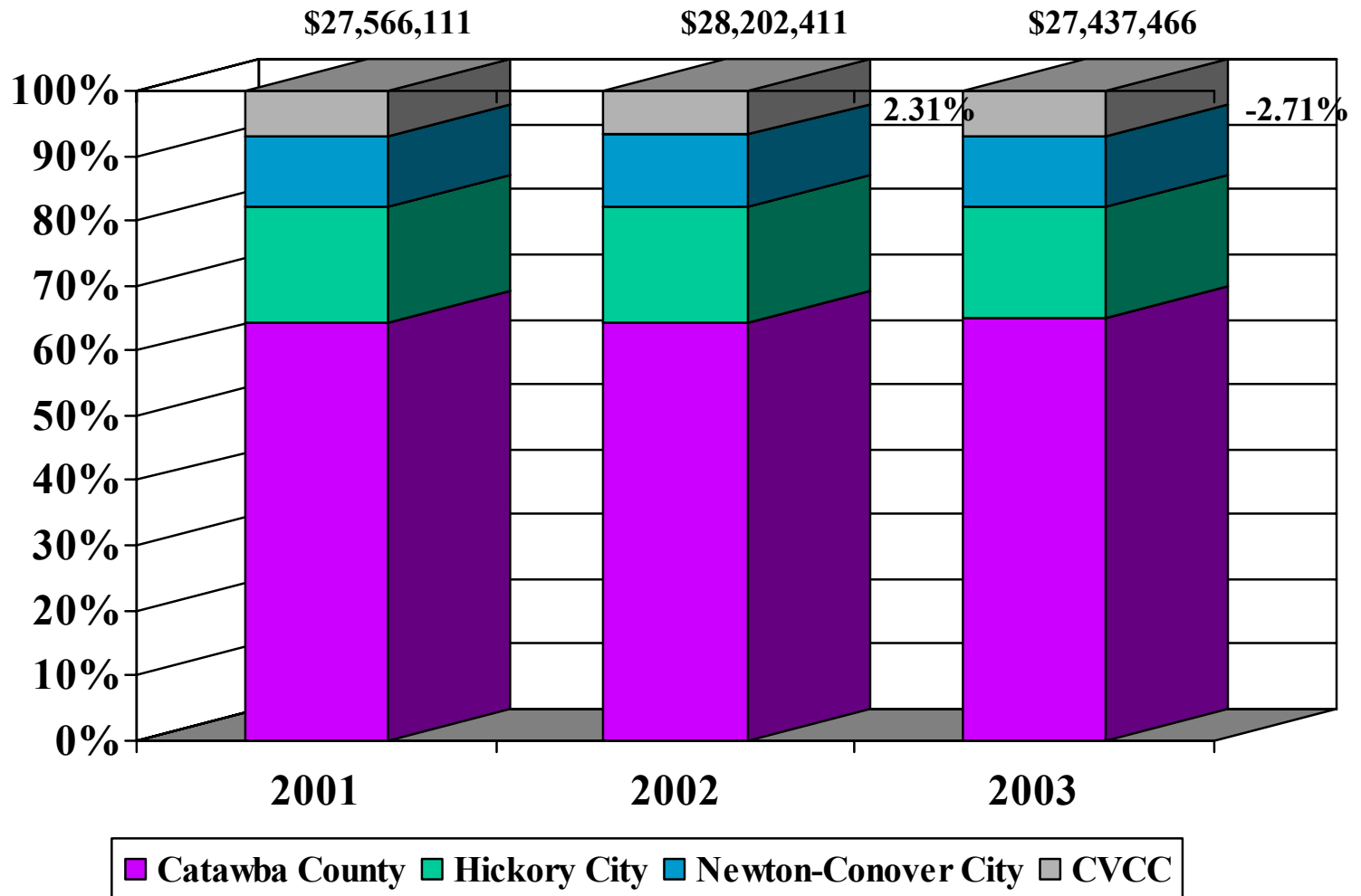
# General Fund Expenditures



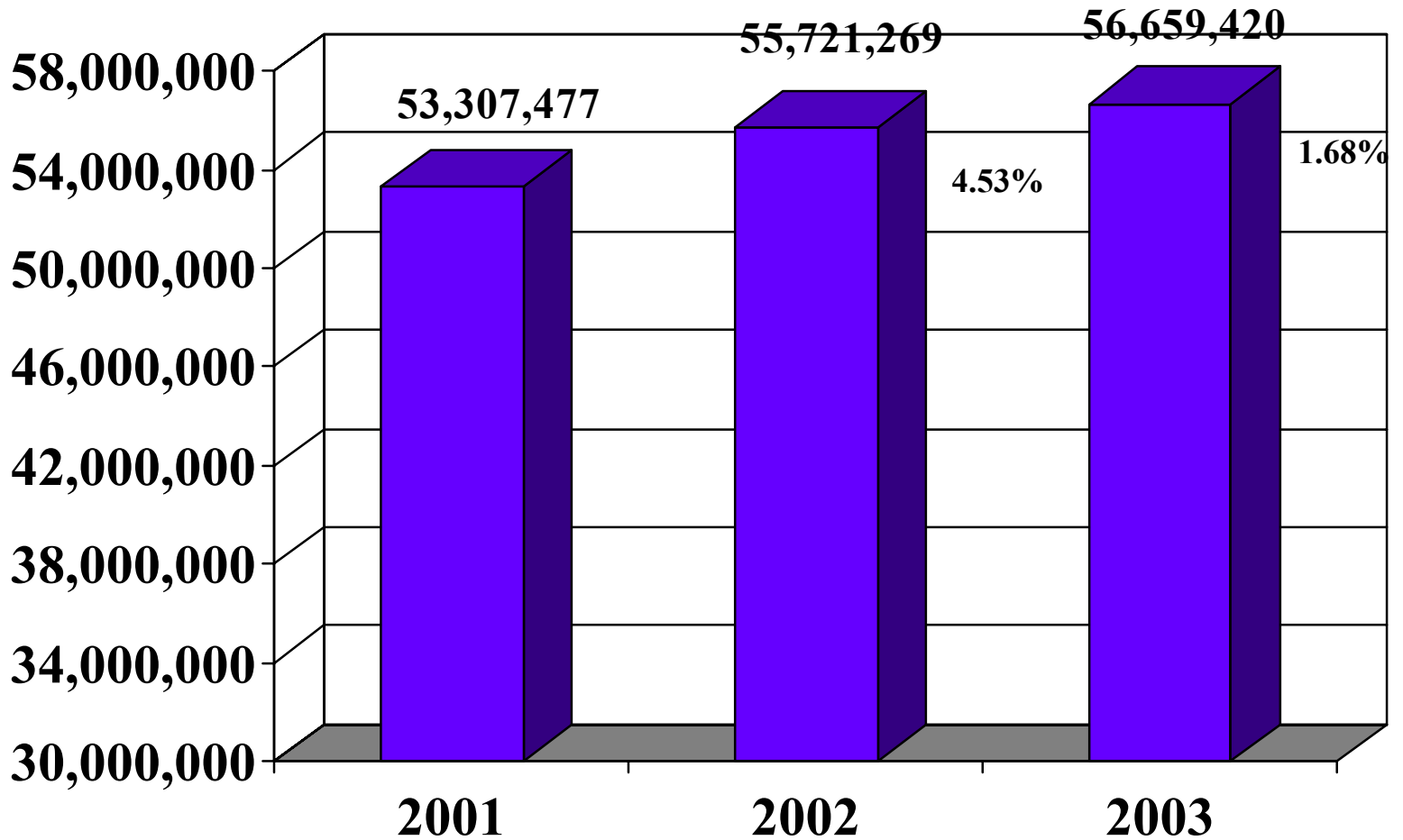
# Where do the Local Tax Dollars Go?



# Education



# Human Services



# Human Services

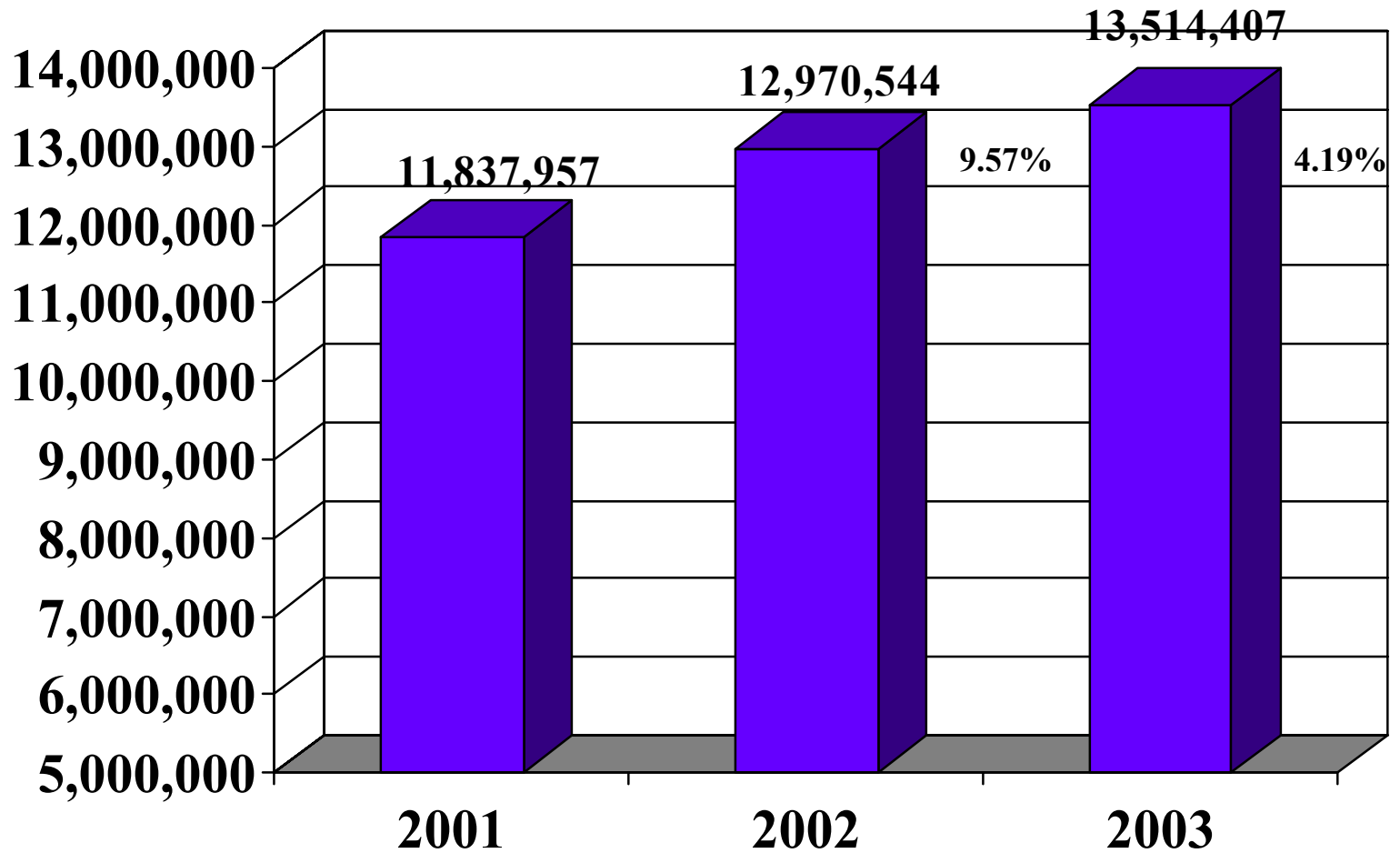
	<u>2001</u>	<u>2002</u>	<u>2003</u>
Mental Health	13,327,285	14,301,895	14,875,160
Social Services	31,558,353	33,085,633	32,996,290
Public Health	8,344,864	8,228,341	8,689,370
Totals	<u>53,307,477</u>	<u>55,721,269</u>	<u>56,659,420</u>

•**Mental Health** – served 6,470 clients, or \$2,299 of assistance per client

•**Social Services** – collected approx. \$11m in child support payments, provided \$6.8m in day care assistance to 3,761 children, assisted 17,728 minor children and their families with \$26.7m in Medicaid funds, issued \$9.7m in food stamps, up 38% from 2002; established new CAC

**Public Health** – served >850 patients and provided 18,916 home health visits, served >3,000 clients each month through the WIC program resulting in more than \$2 million in food and pharmacy expenditures

# Public Safety



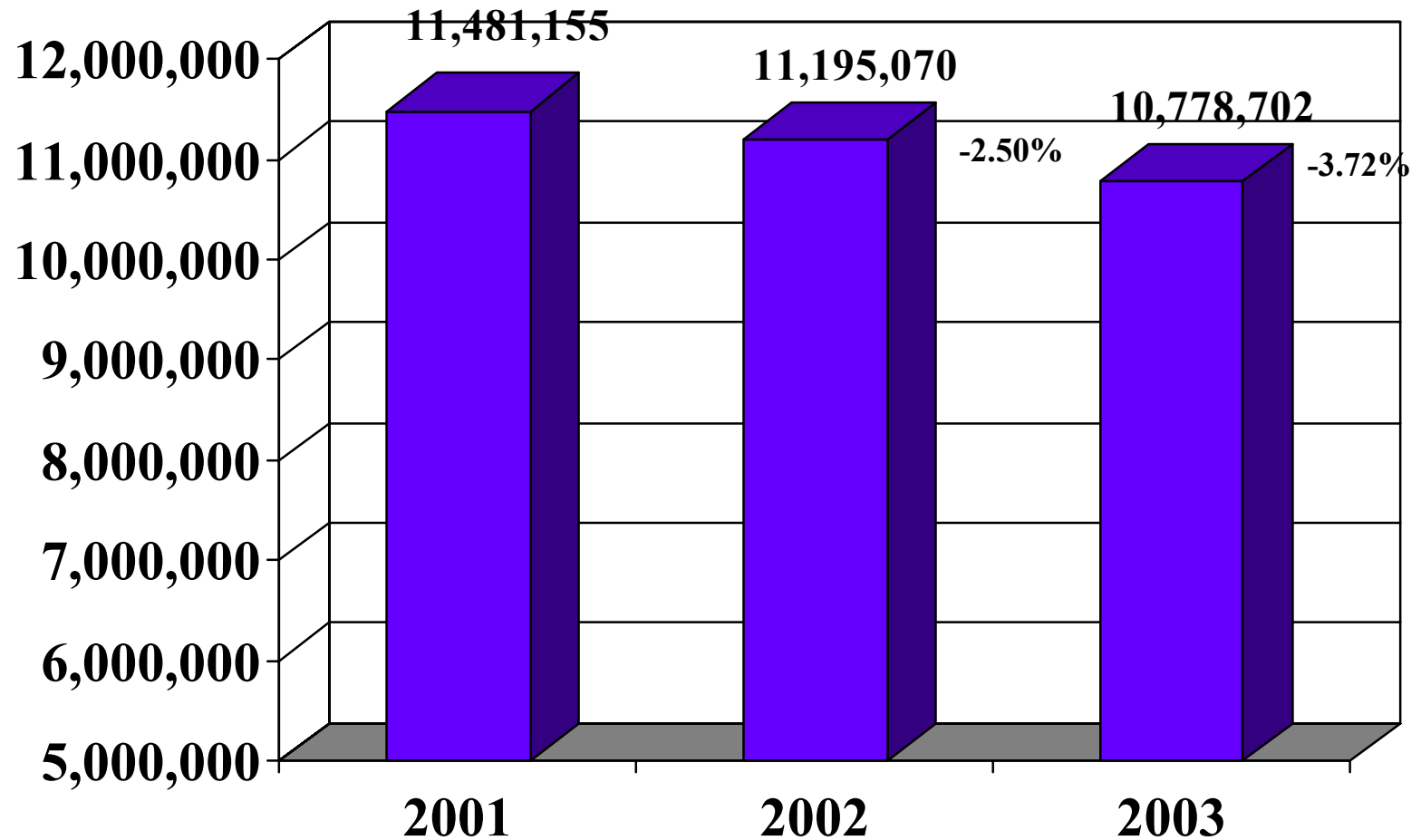


# Public Safety

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Sheriff	6,288,463	6,501,923	<b>7,304,293</b>
Emergency Services	4,554,571	5,485,784	<b>5,162,233</b>
Communication Center	994,923	982,837	1,047,881
Totals	<u>11,837,957</u>	<u>12,970,544</u>	<u>13,514,407</u>

- Added two new deputy positions and a court security officer;  
Purchased fourteen new road patrol vehicles for Sheriff's dept.,  
increased costs at BCD CF
- Continued implementation of – Emergency Services Plan –**  
Initiated first responder program in Hickory/Claremont resulting in a  
response time of six minutes, establishment of a rescue coordinator  
position and (funding for a new EMS base in the Oxford community\*)

# Debt Service



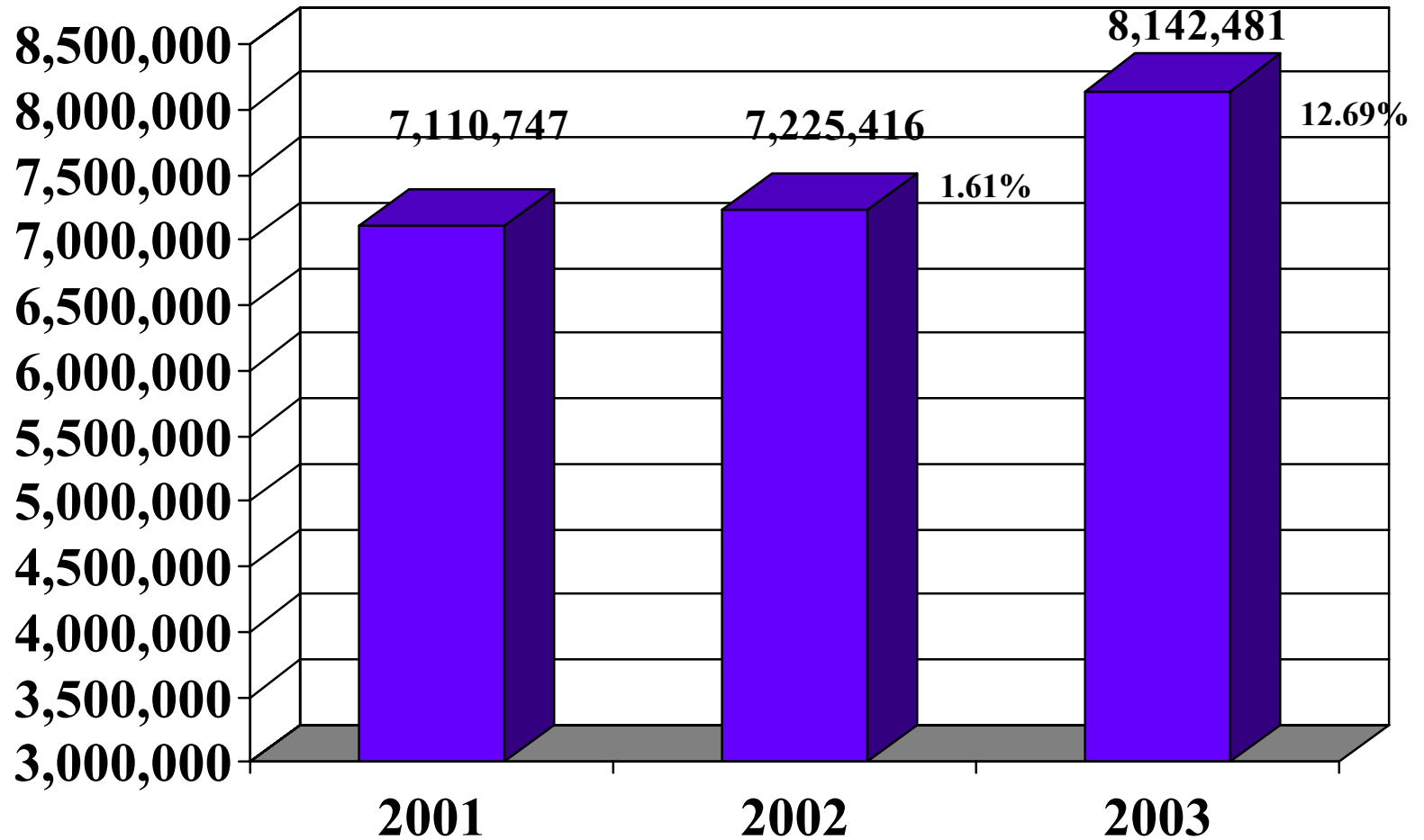
**96% of county debt is for school/community college improvements**

# Legal Debt Margin

June 30, 2003

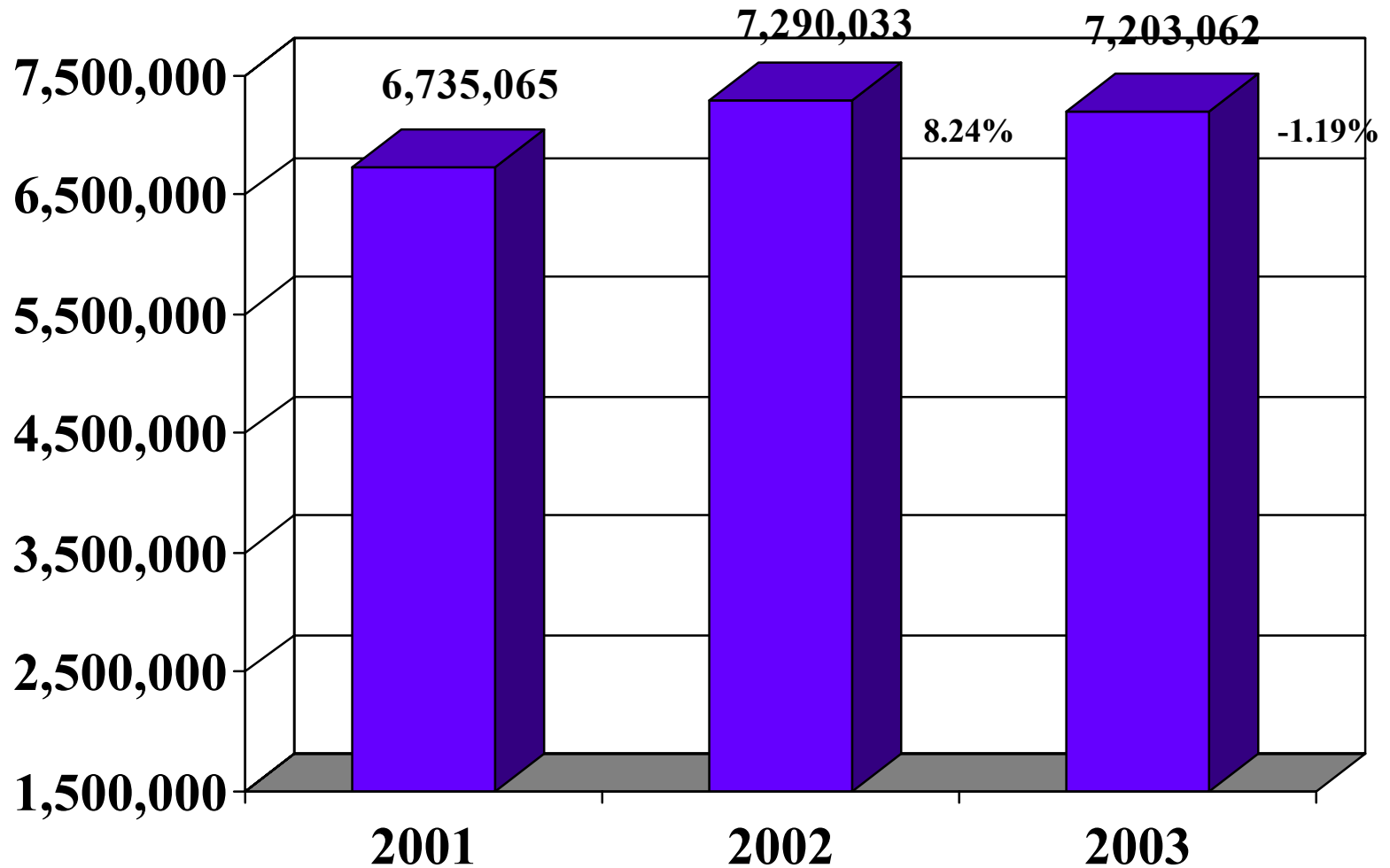
Assessed Value – January 1, 2002		\$11,568,969,626
Debt Limit – eight percent(8%) of assessed value		\$925,517,570
Total Bonded Debt	\$63,040,000	
Other Debt	<u>\$3,819,085</u>	
	\$66,859,085	
Total applicable to debt limit		<u>(66,859,085)</u>
Legal Debt Margin		\$858,658,485

# General Government



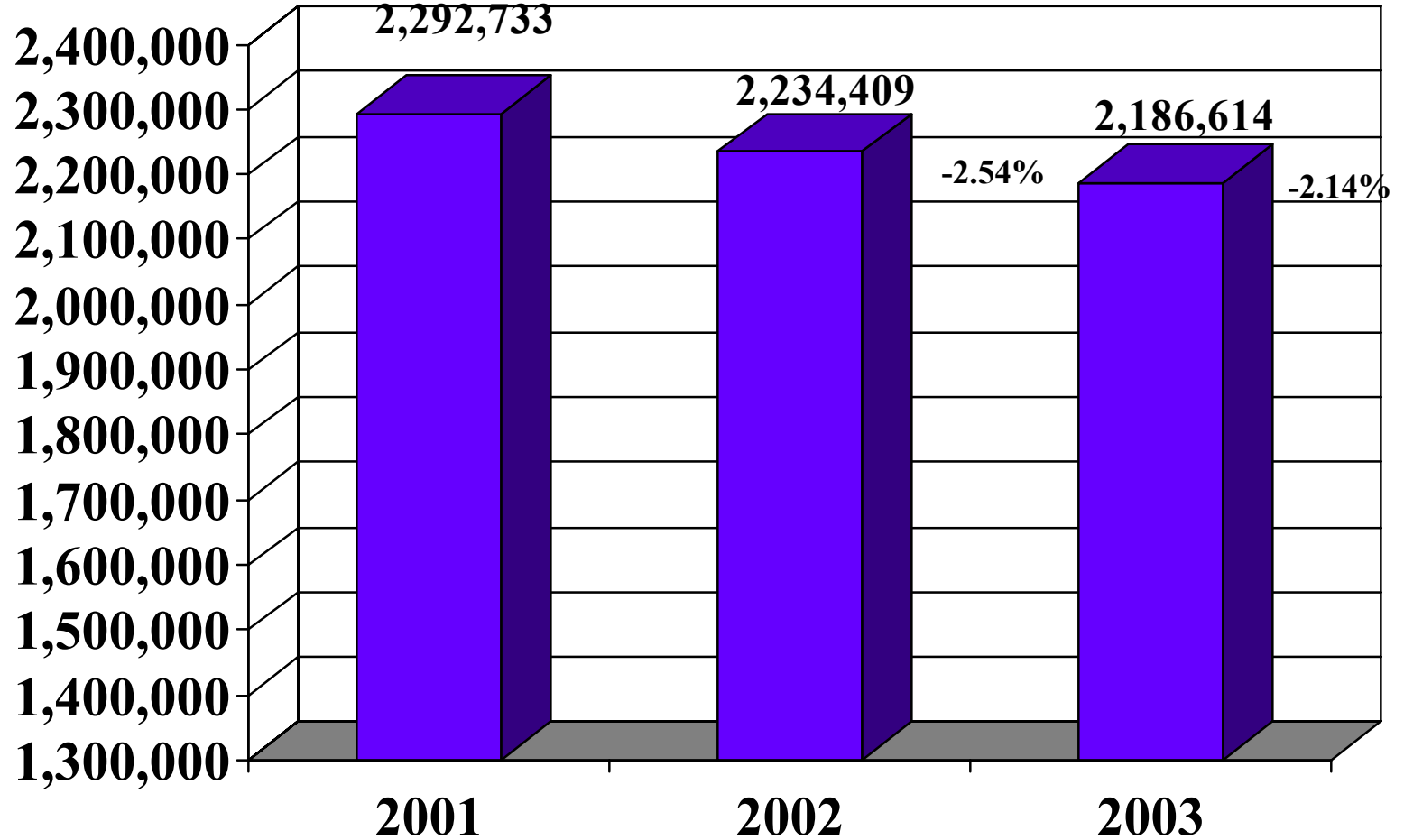
- Insurance costs increased by \$430,000, or 19.4%
- Register of Deeds, Tax & Finance also saw increases

# Economic & Physical Development

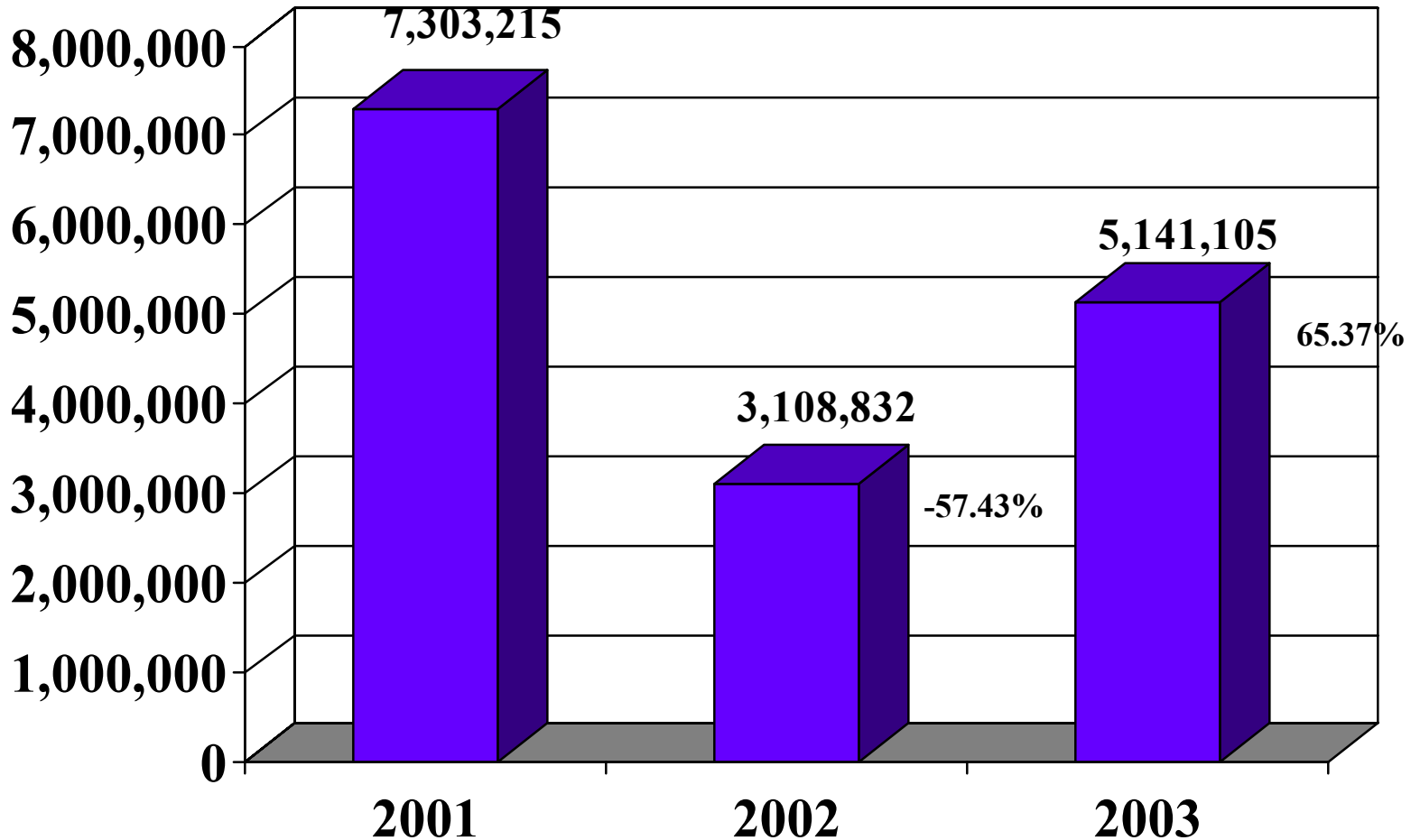


Includes Technology, Planning/Development, Bldg. Inspections, Facilities & Parks functions

# Culture & Arts



# Operating Transfers



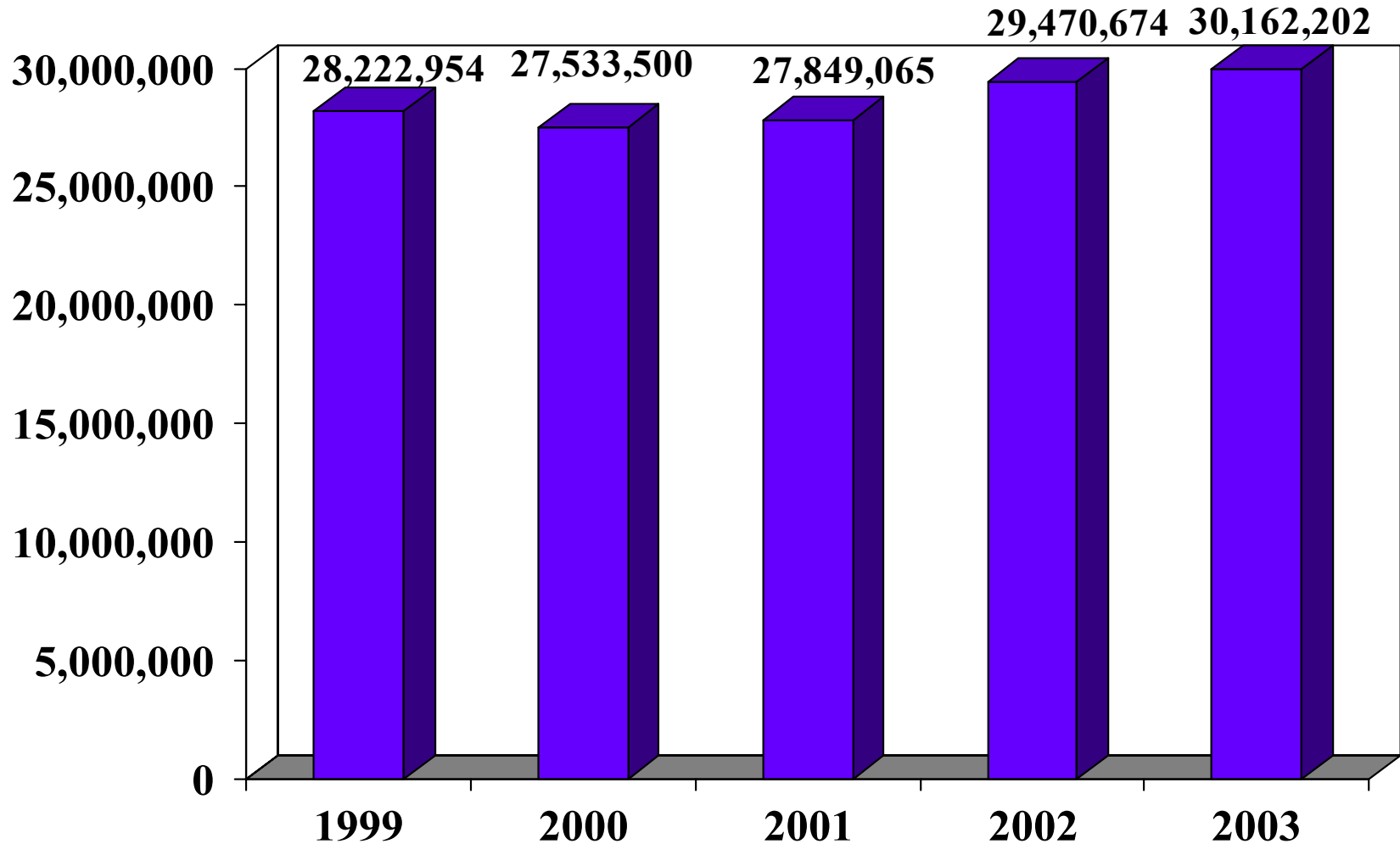
# Operating Transfers

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Reappraisal Fund	330,605	321,156	334,666
Rescue Squads	585,568	528,436	614,226
General Capital Projects	2,887,042	139,647	<b>1,513,800</b>
Water & Sewer Construction	3,500,000	2,712,500	<b>2,800,000</b>
Schools' Capital Projects	-	-	60,000
Parks Preservation Fund	-	-	
Transfers-In		(592,907)	(181,587)
Totals	<u>7,303,215</u>	<u>3,108,832</u>	<u>5,141,405</u>

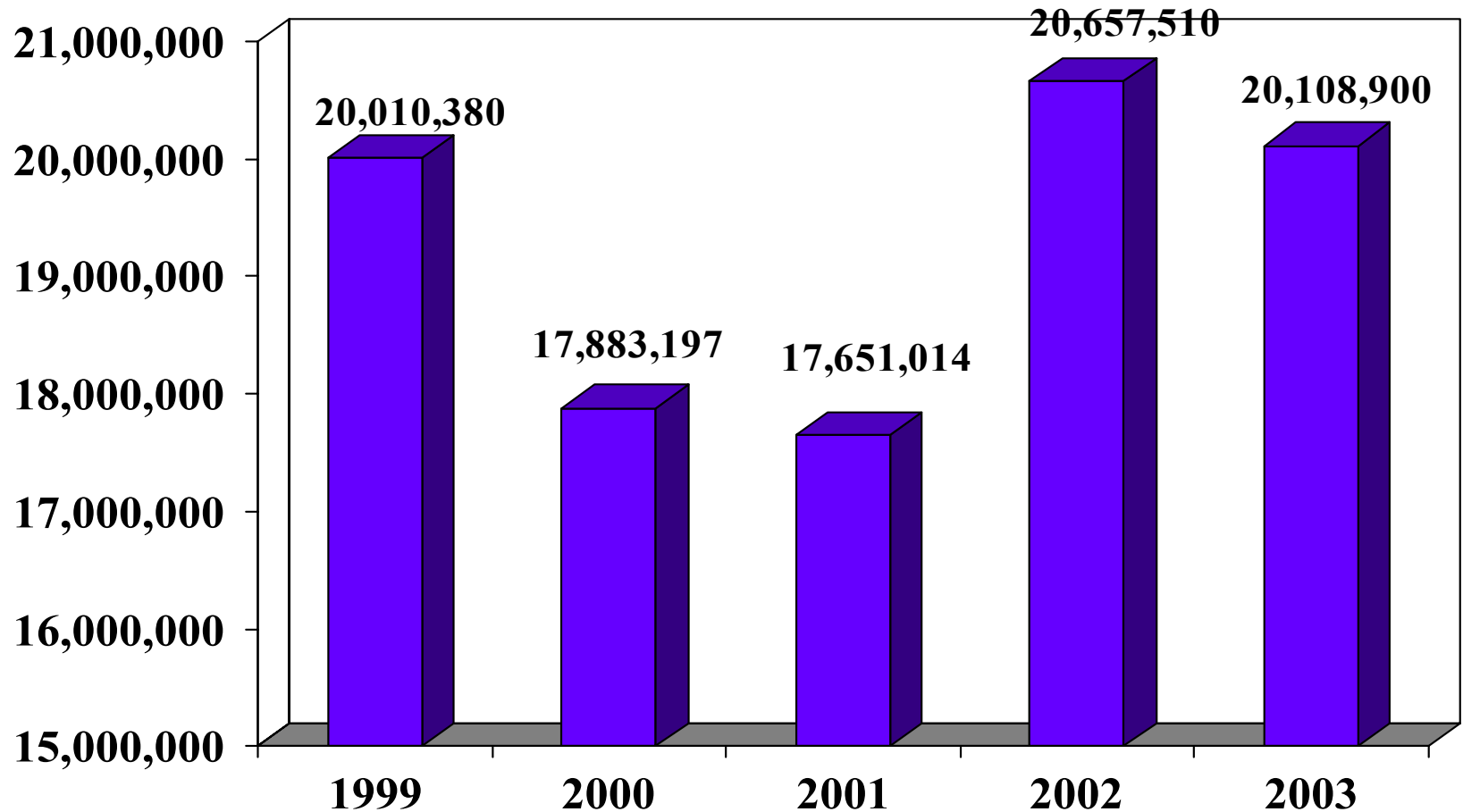
- Transferred 2-1/2 cents on the tax rate to Water & Sewer
- General Capital funding consists of a future EMS Base, voting equipment, tax software and computer software licensing



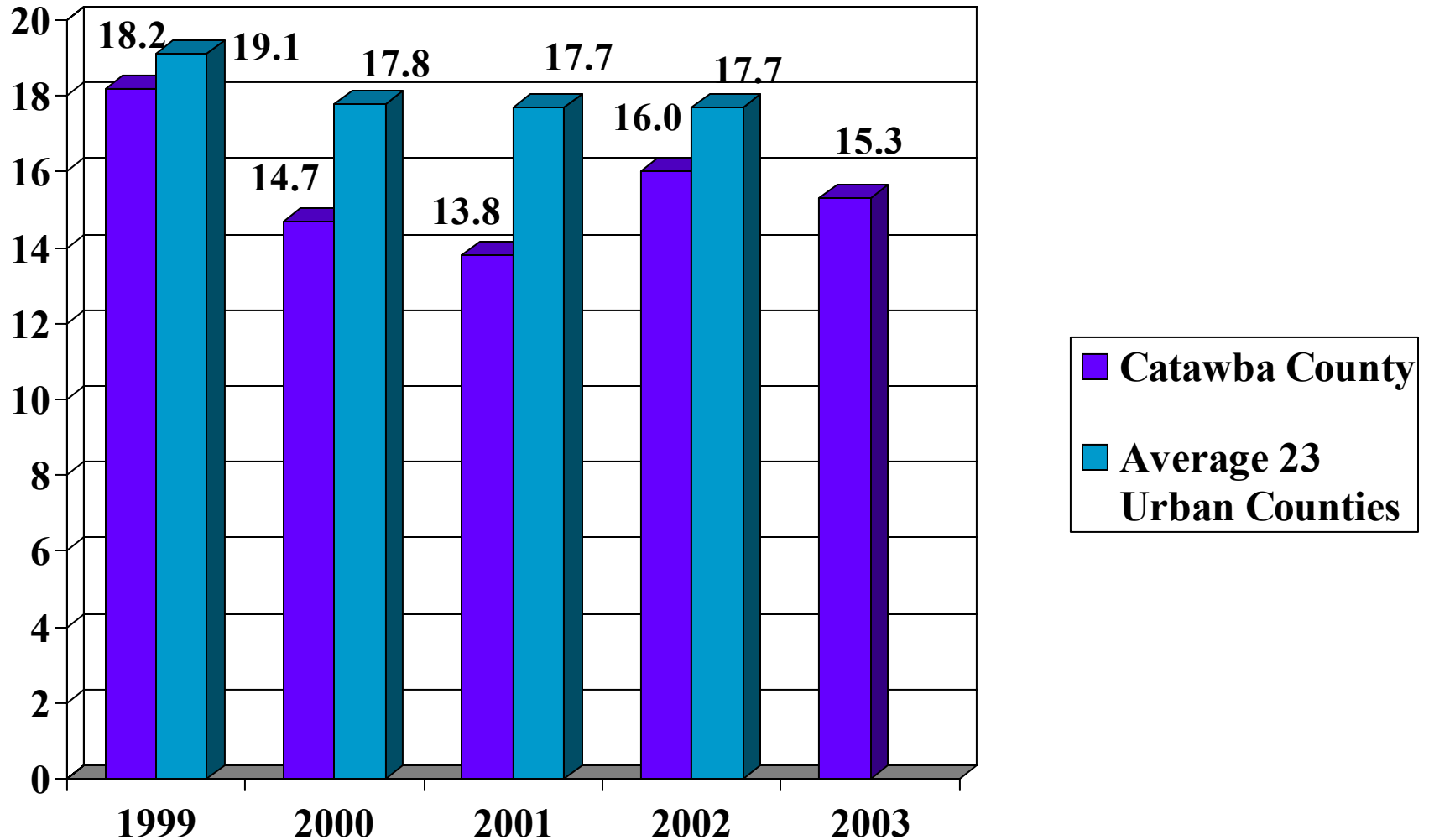
# Total Fund Balance Increased \$691,000



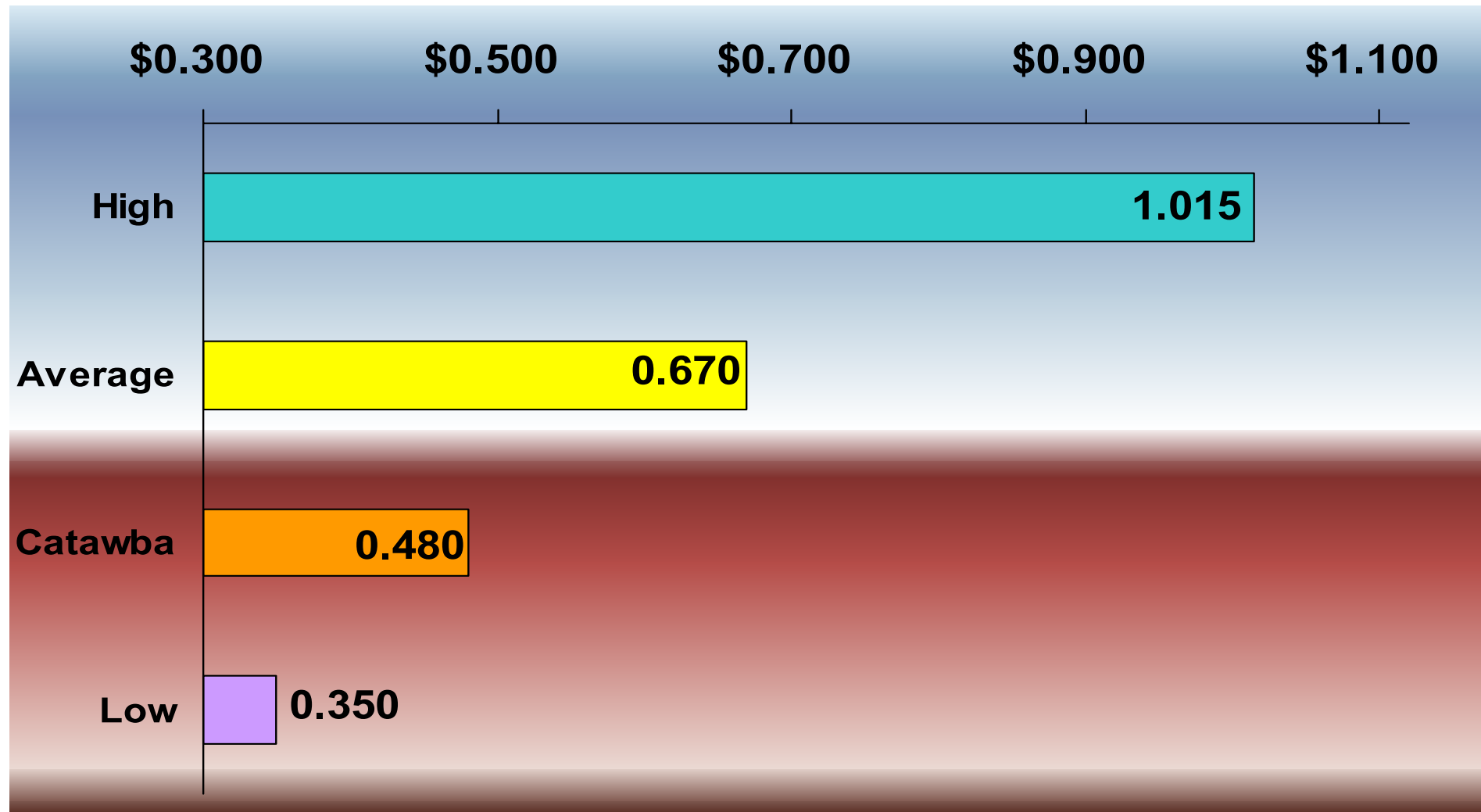
# Available Fund Balance



# Fund Balance % of General Fund Expenditures



# 2003-04 Tax Rate NC Counties



**2<sup>nd</sup> Lowest among 23 urban (>100,000 population) counties**  
**9<sup>th</sup> Lowest out of 100 Counties in NC**